



COMMITTEE ON THE BUDGET

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TALKING POINTS

THE LEGISLATIVE LINE ITEM VETO ACT OF 2006 (H.R. 4890)

Public criticism of unnecessary, wasteful Washington spending is on the rise. H.R. 4980, as reported out by the House Budget and Rules committees, provides an effective mechanism to bring transparency, accountability, and better control to the federal spending process. And unlike previous attempts at a line item veto, this legislation meets strict constitutional guidelines. *Bill highlights include:*

Congress Has Final Say

- ▶ Unlike the 1996 law, Congress must vote to approve any cancellation rescissions proposed by a president – power of the federal purse remains with Congress.

Everything Is On The Table

- ▶ All spending – both appropriations and entitlement spending – is subject to review and rescission, as are “rifle-shot” preferences in the tax code.
- ▶ Under the current process, *only* appropriations spending is subject to rescission.

All Savings Go to Deficit Reduction

- ▶ Reduces budget limits by savings amounts – thus ensuring taxpayers are ultimate beneficiaries.
- ▶ Currently, savings can be used to pay for additional spending in other areas.

Meets Strict Constitutional Guidelines

- ▶ Unlike the 1996 law – which the Court ruled unconstitutional – this bill has been scrutinized by legal experts, and modified as necessary, to ensure it meets constitutional requirements.

Guarantees Up-or-Down Vote

- ▶ Implements fast-track procedure to bring rescission cancellation bill to a vote.
- ▶ Congress must cast single, up-or-down vote on entire rescission package.
- ▶ Under the current process, Congress is not even required to act on proposed rescissions.

Bi-Partisan Reform

- ▶ Many Democrats have long supported expedited rescission.
- ▶ This bill was reported out of the Budget Committee with strong bi-partisan support.